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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-918]

Steel Wire Garment Hangers from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Rescission of Review in Part; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminary determines that Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd. are not eligible for a separate rate, and therefore are part of the China-wide entity. Commerce is also rescinding this administrative review, in part, with respect to eight companies. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Jasun Moy, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-8194.

SUPPLEMENTARY INFORMATION:

Background

On October 1, 2019, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the antidumping duty (AD) order on steel wire garment hangers from the People's Republic of China (China) for the period of review (POR) October 1,

2018 through September 30, 2019.¹ Pursuant to a request from M&B Metal Products Co., Inc. (the petitioner),² Commerce initiated an administrative review with respect to 11 companies, in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).³

Subsequent to the initiation of the administrative review, the petitioner timely withdrew its request for eight of the companies for which a review had been requested.⁴ No other party requested an administrative review of these companies. Therefore, this administrative review continues for the two companies remaining under review, Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd. However, because we have previously found that Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd. are a single entity (collectively, Shanghai Wells), Shanghai Wells remains the sole respondent in this review.⁵

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 84 FR 52068 (October 1, 2019).

² See Petitioner's Letter, "Steel Wire Garment Hangers from China: Petitioner's Request for Administrative Review," dated October 25, 2019 (Petitioner's Review Request).

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 67712 (December 11, 2019) (*Initiation Notice*); see also *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 3014 (January 17, 2020) (which corrected the POR for this review). In the *Initiation Notice*, we inadvertently included a company named "Hong Kong Ltd." Based on the Petitioner's Review Request, the correct name of the company is Hong Kong Ltd. (USA). However, this company is an importer, rather than an exporter of subject merchandise, and it is not under review. Therefore, we are correcting the *Initiation Notice* to clarify that this company is not under review. As such, only 10 companies are under review.

⁴ See Petitioner's Letter, "Administrative Review of Steel Wire Garment Hangers from China-Petitioner's Withdrawal of Review Requests for Specific Companies," dated January 8, 2020 (Petitioner's Withdrawal Letter).

⁵ Commerce found that Shanghai Wells Hanger Co., Ltd., Hong Kong Wells Ltd., and Hong Kong Ltd. (USA) are affiliated and that Shanghai Wells Hanger Co. Ltd. and Hong Kong Wells Ltd. are a single entity. Because there were no changes to the facts that supported that decision since that determination was made, we continue to find that these companies are affiliated and that Shanghai Wells Hanger Co. Ltd. and Hong Kong Wells comprise a single entity for this administrative review. See *Steel Wire Garment Hangers from the People's Republic of China: Preliminary Results and Preliminary Rescission, in Part, of the First Antidumping Duty Administrative Review*, 75 FR 68758, 68759 (November 9, 2010), unchanged in *First Administrative Review of Steel Wire Garment Hangers from the People's Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 76 FR 27994, 27995 (May 13, 2011); see also *Steel Wire Garment Hangers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 2016-2017*, 83 FR 53449 (October 23, 2018).

On January 2, 2020, Commerce issued the standard non-market economy (NME) questionnaire to Shanghai Wells.⁶ We confirmed that the questionnaire was delivered to Shanghai Wells and that a company representative received the questionnaire on January 6, 2020.⁷ Shanghai Wells did not respond to this questionnaire and has filed no submissions on the record of this administrative review, including information concerning its eligibility for a separate rate.

On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days, thereby extending the deadline for these results until August 21, 2020.⁸

Partial Rescission of Administrative Review

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the party that requested the review withdraws the request within 90 days of the date of publication of the notice of initiation. The request for an administrative review of the following companies was withdrawn within 90 days of the date of publication of the *Initiation Notice*: Hangzhou Qingqing Mechanical Co., Ltd., Hangzhou Yingqing Material Co., Ltd., Shaoxing Dingli Metal Clotheshorse, Shaoxing Lishi Metal Products Co., Ltd., Shaoxing Maosheng Metal Products Co., Ltd., Shaoxing Shunji Metal Clotheshorse Co., Ltd., Shaoxing Yongnuo Metal Products Co., Ltd., and Zhejiang Lucky Cloud Hanger Co., Ltd.⁹ Because we received no other requests for review of these companies, Commerce is rescinding this administrative review of the AD order on steel wire garment hangers, in part, with respect to these eight companies. The instant review will continue with respect to Shanghai Wells.

⁶ See Commerce's Letter, "Antidumping Duty Administrative Review of Steel Wire Garment Hangers from the People's Republic of China: Non-Market Economy Questionnaire," dated January 2, 2020.

⁷ See Memorandum, "Initial Antidumping Duty Questionnaire Delivery Confirmation," dated January 6, 2020.

⁸ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

⁹ See Petitioner's Withdrawal Letter.

Scope of the Order

The merchandise that is subject to the order is steel wire garment hangers, fabricated from carbon steel wire, whether or not galvanized or painted, whether or not coated with latex or epoxy or similar gripping materials, and/or whether or not fashioned with paper covers or capes (with or without printing) and/or nonslip features such as saddles or tubes. These products may also be referred to by a commercial designation, such as shirt, suit, strut, caped, or latex (industrial) hangers. Specifically excluded from the scope of the order are wooden, plastic, and other garment hangers that are not made of steel wire. Also excluded from the scope of the order are chrome-plated steel wire garment hangers with a diameter of 3.4 mm or greater. The products subject to the order are currently classified under Harmonized Tariff Schedule U.S. (HTSUS) subheadings 7326.20.0020, 7323.99.9060, and 7323.99.9080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

China-Wide Entity

Commerce's policy regarding conditional review of the China-wide entity applies to this administrative review.¹⁰ Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the China-wide entity.¹¹ Because no party requested a review of the China-wide entity in this review, the China-wide entity is not under review and the weighted-average dumping margin for the China-wide entity is not subject to change (*i.e.*, 187.25 percent).¹²

¹⁰ See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

¹¹ *Id.*

¹² See *Notice of Antidumping Duty Order: Steel Wire Garment Hangers from the People's Republic of China*, 73 FR 58111 (October 6, 2008).

Preliminary Results of Review

Because Shanghai Wells is not eligible for a separate rate, Commerce preliminarily finds that Shanghai Wells is part of the China-wide entity. As discussed above, the weighted-average dumping margin for the China-wide rate continues to be 187.25 percent.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with the preliminary results of an administrative review within five business days after public announcement of the preliminary results of review in accordance with 19 CFR 351.224(b). Because Commerce preliminarily denied the separate rate eligibility for the sole mandatory respondent in this review and treated it as part of the China-wide entity, there are no calculations to disclose.

Public Comment

Pursuant to 19 CFR 351.309(c), interested parties are invited to comment on these preliminary results, and may submit case briefs and/or written comments, filed electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) within 30 days after the date of publication of these preliminary results of review. ACCESS is available to registered users at <http://access.trade.gov>. Rebuttal briefs, limited to issues raised in the case briefs, must be filed within seven days after the time limit for filing case briefs.¹³ Parties who submit case or rebuttal briefs in this proceeding are requested to submit with each argument a statement of the issue, a brief summary of the argument, and a table of authorities.¹⁴ Note that Commerce has temporarily modified certain of

¹³ See 19 CFR 351.309(d)(1)-(2).

¹⁴ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

its requirements for serving documents containing business proprietary information, until May 19, 2020, unless extended.¹⁵

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to Commerce within 30 days of the date of publication of this notice.¹⁶

Hearing requests should contain: (1) the party's name, address, telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S.

Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.¹⁷

Final Results of Review

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of all issues raised in the case briefs, within 120 days of the publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Assessment of Antidumping Duties

Upon issuance of the final results of this review, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review.¹⁸ If the preliminary results are unchanged for the final results, we will instruct CBP to apply an *ad valorem* assessment rate of 187.25 percent to all entries of subject merchandise during the POR which were exported by Shanghai Wells.

¹⁵ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006 (March 26, 2020).

¹⁶ See 19 CFR 351.310(c).

¹⁷ See 19 CFR 351.310(d).

¹⁸ See 19 CFR 351.212(b)(1).

Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of this review in the *Federal Register*.¹⁹

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date of this notice, as provided by section 751(a)(2)(C) of the Act: (1) for previously investigated or reviewed Chinese and non-Chinese exporters of subject merchandise not listed above that continue to be eligible for a separate rate based on a completed prior segment of this proceeding, the cash deposit rate will continue to be that existing cash deposit rate published for the most recently completed period; (2) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, including Shanghai Wells, the cash deposit rate will be 187.25 percent, the weighted-average dumping margin for the China-wide entity from the less-than-fair-value investigation; and (3) for all non-Chinese exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter.

These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of any antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this

¹⁹ For a full discussion of this practice, see *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

requirement could result in the presumption that reimbursement of the antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

These preliminary results and partial rescission of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(h)(1).

Dated: May 1, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.
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